

REMARKS

Claims 1-15 were rejected by the Examiner. Claims 1-6, 8, 12 and 14-15 have been amended, Claim 16 has been added and Claims 7, 9-11 and 13 have been canceled without prejudice, leaving Claims 1-6, 8, 12 and 14-16 for consideration upon entry of the present amendment. Support for this amendment can be found in the entire specification, for example, on pages 5-8 of Applicant's specification.

***Claim Rejections under 35 U.S.C. § 112:***

Claims 14 and 15 were rejected under 35 U.S.C. § 112, second paragraph, as being indefinite.

Claim 14 has been amended to refer to Claim 1. In addition, the limitation "said goods" in Claim 14 has been amended to recite "said product" which is supported by the limitation "a product" in line 5 of Claim 1. The limitation "said demand note" in Claim 14 is supported by the limitation "a demand note" in line 7 of Claim 1.

Claim 15 has been amended to refer to Claim 1. The limitation "said purchase order" in Claim 15 is supported by the limitation "a purchase order" in line 19 of Claim 1.

Thus, claims 14 and 15 are believed to satisfy the antecedent basis requirement of 35 U.S.C. § 112, second paragraph.

***Claim Rejections under 35 U.S.C. § 101:***

Claims 1-3 were rejected under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory subject matter. The Examiner states that Claims 1-3 show a series of steps, which are grounded in the abstract idea and the broadly recited steps do not recite sufficient computer structure that are within "technological arts."

For such subject matter to be statutory, the claimed process must be directed to a practical application where the method, as claimed, produces a concrete, tangible and useful result; i.e., the method recites a step or act of producing something that is concrete, tangible and useful. See Alappat, 33 F.3d 1526, 1544 and AT&T, 172 F.3d at 1352, 1358.

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Claim 1 recites "receiving a signal from a sensor device ... said signal indicating that a minimum level specified for a product ... has been reached ... receiving a demand note ... requesting restocking of said product ... said demand note was created in response to said signal ... transmitting said demand note to a local inventory system for said restocking ... transmitting a purchase order to said inventory system ... said purchase order including said product and said requested quantity ... and transmitting said purchase order to a factory for manufacture of said product ... ." Applicant submits that this is not a mere series of steps of abstract ideas. The limitations, for example, "receiving a signal from a sensor device" and "transmitting said demand note to a local inventory system for restocking of said product" where "said demand note was created in response to said signal" are practical application, resulting in the restocking of the supply of a product, i.e., something that is concrete, tangible and useful. Another example of a practical application is "transmitting said purchase order to a factory for manufacture of said product", resulting in ordering the manufacturing of a product, i.e., something that is concrete, tangible and useful.

For at least these reasons, Applicant submits that the claimed process of Claim 1 is statutory subject matter under 35 U.S.C. § 101.

***Claim Rejections under 35 U.S.C. § 103:***

Claims 1-15 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Salvo et al., US 6,341,271 (hereinafter "Salvo") for the reasons stated on page 4 of the Office Action. This rejection is traversed for the following reasons.

Since claims 7, 9-11 and 13 have been canceled without prejudice, the rejection of claims 7, 9-11 and 13 is moot.

The Examiner states that Salvo teaches an inventory system, which receives signals from a sensor device. Applicants respectfully disagree with the Examiner. In Salvo, an amount indicator (108 in Fig.1) of each receptacle (104) simply detects an amount of inventory, for example, a weight or volume (col. 4, lines 32-58), rather than determining whether the amounts of the inventory is less than a predetermined minimum level of the inventory. Thus, the signal generated from the amount indicator in Salvo is not "a signal indicating that a minimum level specified for a product used in a

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manufacturing location has been reached" as recited in Applicant's Claim 1, but instead indicates the numerical amounts of inventory. Thus, Salvo does not teach the limitation: "receiving a signal from a sensor device at a buyer system, the signal indicating that a minimum level specified for a product used at a manufacturing location has been reached" as recited in Claim 1.

Further, Salvo simply discloses that an order is placed to a supplier, but does not teach that the order is transferred to any one of a "buyer system", a "vender inventory system" and "a factory" based on whether a quantity of the product is sufficient in the "buyer system" or "a storage location associated with said vendor." Thus, Salvo does not teach the limitations: "transmitting said demand note to a local inventory system for said restocking of said product when said querying a local inventory database indicates that said requested quantity of said product is locally available at said buyer system; querying a vendor inventory system for said supply availability status when said querying a local inventory database indicates that said requested quantity of said product is not locally available at said buyer system; transmitting a purchase order to said vendor inventory system when said querying a vendor inventory system indicates that said requested quantity of said product is available from a storage location associated with said vendor, said purchase order including said product and said requested quantity; and transmitting said purchase order to a factory for manufacture of said product when said querying a vendor inventory system indicates that said requested quantity is not available from a storage location associated with said vendor", as recited in Claim 1.

Thus, Salvo does not teach or suggest all of the limitations of Claim 1 and therefore does not render Claim 1 obvious. Claims 4 and 16 are believed to be patentable over Salvo for at least the reasons given for Claim 1. Claims 2-3, 12, and 14-15 depend from Claim 1, Claims 5-6 depend from Claim 4 and Claim 8 depends from Claim 16. Thus, these claims are believed to be patentable over Salvo due to their dependencies on Claims 1, 4 and 16.

#### *Official Notice*

The Examiner has taken Official Notice that vendors employ the use of factories to create materials from which to store inventory at a vendor's to be used by various

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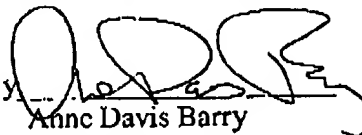
customers of the vendor, and the step of including such a purchase order to a factory if the conditions at the vendor's warranted it, would be within the level of ordinary skill in the art. Applicant respectfully traverses the Examiner's assertion of Official Notice and requests that the Examiner provide documentary evidence supporting the Official Notice pursuant to MPEP 2144.03. It would not have been obvious to one of ordinary skill in the art to transmit a purchase order to a factory if the vendor inventory is insufficient as asserted by the Examiner. The vendor has several options when it does not have sufficient supply to meet a purchasing request including: telling the requestor that the order cannot be filled, suggesting substitute products, and/or trying to find inventory of the product from another source. Therefore, it is not obvious that the vendor would automatically perform the actions of "transmitting said purchase order to a factory for manufacture of said product when said querying a vendor inventory system indicates that said requested quantity is not available from a storage location associated with said vendor" as recited in Claim 1.

### ***Conclusion***

In view of the foregoing remarks, Applicant submits that this application is in condition for allowance. Early notification to this effect is requested.

If there are any charges due in connection with this response, please charge them to Deposit Account 09-0463 maintained by Applicant's Assignee.

Respectfully submitted,

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